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467 the average worker. By mid-1953, 6,700 of the politically advanced industrial workers in Chungking were party members.[6]

II. LABOR DISPUTES AND LABOR BUREAU

●468 According to Chinese Communist theory, labor and capital (or management in the case of publicly owned enterprises) perform different functions in striving for the identical goal of increased production; therefore, labor disputes should not be allowed to develop into strikes, sabotage, or lockouts which would interrupt production. To prevent crippling disputes, the regime has established a compulsory process of arbitration. The first step in settling labor differences consists of consultation between the owner and the trade union representatives of the workers in the case of privately owned enterprises, and between the trade union and the management in the case of publicly owned enterprises. If consultation fails, the dispute is taken to the labor bureau for settlement. Labor bureaus are maintained at all levels of the Communist government.[7] During the first half-year of Chungking's "liberation," some workers of privately-owned enterprises were reported to have submitted, under the guidance of trade unions

6. Kung-jen Jih-pao [Workers' Daily], July 1, 1953, p. 1.

7. "Measures Concerning Procedure of Settling Labor Disputes" issued by Ministry of Labor on Nov. 26, 1950. See Chung-yang Ts'ai-ching Cheng-t'se Fa-ling Hui-pien [Compendium of Laws and Regulations Concerning Financial and Economic Policies], Vol. II, Peking, pp. 1111-13.

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and the labor bureau, to a cut in wages of from 40 to 60 per cent to help tide the capitalists over a difficult period.[8] 468

On the basis of experience in settling labor disputes, the Ministry of Labor in April 1950 issued a "Directive Concerning the Establishment of Labor-Capital Consultative Councils in Privately Owned Enterprises." In accordance with the directive, 34 different groups of private enterprises in Chungking formed their labor-capital consultative councils between mid-1950 and mid-1951. Labor and capital were equally represented on the council. During the period, consultations between labor and capital in various Chungking enterprises resulted in 2,224 agreements which were submitted to the labor bureau for ratification. Almost without exception, matters brought up in the councils for consultation were concerned with wages and the discharges of workers.[9]

III. POLITICIAL INDOCTRINATION

The Communists insist that the strength and class consciousness of the workers can only grow out of political indoctrination. In the guise of implementing this dogma, the Communists initiated the "Democratic Reform" Movement among the working class in May 1951, followed by the Resist-America-Aid Korea Movement, the Suppression-of-Counterrevolutionaries Movement as well as the Three-Anti and Five-Anti campaigns. Through 467 668

8. Cheng-fu Kung-tso Pao-kao [Compendium of Government Reports], Peking, 1951, p. 1013; Workers' Daily, June 21, 1950, p.1.

9. New China Daily, Oct.10, 1951, p.2.